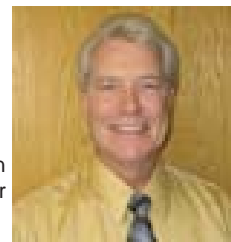


Marketing & Development

Jed Christenson
Director



The Utah Department of Agriculture and Food's principal reason for existence is to "protect and promote Utah agriculture and food." The Division of Marketing and Development plays a vital role in helping the Department fulfill its mission.

Over the next several years, Utah agriculture will face new challenges of a complex industry, growing population and greater economic expectations. The Division staff is fully committed to exemplary marketing efforts and economic success for agriculture and rural Utah to meet those challenges. The staff includes Director Jed Christenson, Deputy Directors Richard Sparks and Seth Winterton, Market News Reporter Michael Smoot and Division Executive Secretary Camille Anderson.

The objectives of the Division of Marketing and Development are to raise the awareness of Utah agriculture and food products; and enhance local, domestic and international marketing opportunities. Division goals include increased profitability for agriculture and related businesses; and, fostering a vibrant and healthy rural economy.

Local Marketing

The mission of the local marketing program is to increase awareness and demand for Utah food and agricultural products within Utah. The "Utah's Own" Program will be a major focus to help accomplish this goal. Utah's Own is designed to create a consumer culture to think of and purchase products made and grown right here in Utah. The economic benefit is obvious as the dollars spent by Utah consumers stay in Utah. Not only does it increase profits for local producers and businesses, but depending on the product purchased, it has a multiplying affect of up to three times or more in stimulating the overall economy. The results include a greater tax base, new jobs and an enhanced environment made possible because of the stronger economic situation of local growers and producers.

The Marketing Division received one-time non-lapsing funds in 2006 from the state legislature to promote Utah's Own for which we are very appreciative. Using those funds judiciously and appropriately to educate consumers while benefiting the largest number of businesses and producers is our number one priority. To leverage these funds we have initially partnered with Associated Food Stores and Bonneville Radio Group.

The campaign includes the Utah's Own jingle (http://utahsown.utah.gov/cons_home.php) and ads airing since April 2006 on various radio stations that are far reaching and meet the criteria for our targeted demographic. Participating Utah's Own companies were able to display at Associated Food Stores Annual Food Show in early April and have since been included in their warehouse or otherwise gained access to stores by cross-docking their product or direct store delivery. These same companies are also receiving space in Associated Food Stores ads and air-time during live-

remotes with radio personalities at selected stores. The results are that while educating consumers, we are creating new marketing opportunities and increased sales for local food companies.

Other opportunities to promote Utah's Own are being explored and planned well into 2007. Those include expanding into other radio and TV markets, the State Fair, additional grocery partners and more. To sustain this newly established successful effort, the Marketing Division will approach the legislature about receiving ongoing funds to continue stimulating and building our local economy through the Utah's Own Program.

The fourth annual Utah's Own Business to Business Conference will be sponsored to allow Utah companies to network and contract to provide and receive local products. An interactive Utah's Own website provides ongoing contacts and links for networking as well. Consumers will also be able to benefit from the website by accessing educational information, introduction of newly produced local products, and directions to Farmers Markets and other direct market opportunities.

Utah's Own is the result of a partnership between the Utah Food Council and the Department of Agriculture and Food to develop food policy and promote Utah agriculture. Another goal of the partnership is to develop policy to include the institutional purchase of Utah products—that state government agencies, institutions and school lunch programs purchase Utah food products when available. Initial success is indicated by the passage of S. B. 220 during the last legislative session giving preference to Utah produced food products.

Another focus is to help agricultural producers explore new crops, value added and niche marketing possibilities to their existing operations. This will be accomplished by helping plan and coordinate annual Diversified Agriculture Conferences around the state in conjunction with Utah State University Extension.

Adding value to agricultural commodities or products can help local producers and rural communities build economic sustainability through processing, packaging, marketing and distributing the products themselves.

The Division is working with existing Farmers Markets to form a Utah Farmers Direct Marketing Association. The Association will help foster more direct marketing opportunities from producers to consumers. There is also a rapidly growing demand for certified organic and natural products in Utah. The Department's nationally recognized Organic Certification program is complimentary to this growing consumer interest. Meeting this growing market provides new opportunities for local producers. (See Subsection "Organic Food Program.")

Wherever possible, the Division will partner with local commodity groups, farm organizations, associations and other

agencies to promote Utah's Own, other local marketing efforts and value added projects.

Domestic Marketing

The mission of the domestic marketing program is to increase awareness and demand for Utah food and agricultural products in regional and national markets. This can be accomplished implementing most of the programs discussed above and adding the opportunities of national food shows and regional advertising to promote Utah's agriculture and food.

The Department works in partnership with federal agencies and marketing groups to promote Utah's agriculture and food products. The Division has the responsibility of working with these agencies such as USDA's Foreign Agricultural Service and the Western United States Agricultural Trade Association. The Division will take advantage of existing programs and matching funds wherever it is feasible and beneficial to showcase Utah's products at national food shows and events.

The North American Agricultural Marketing Officials (NAAMO) Association was organized to allow state agricultural marketing representatives to share ideas, improve state cooperation and develop new marketing ideas. Utah is a longtime member and has served in leadership roles while participating along with other states and provinces from Canada and Mexico. The Utah Department of Agriculture and Food is also a member of the United States Livestock Genetics Export, Inc. (USLGE). Utah livestock producers have developed some of the finest genetics in the world and the Division can assist in the investigation and development of export markets for those genetics. USLGE offers Utah producers a trade organization that coordinates national and international market development efforts for dairy, sheep, cattle, swine, horses, semen and embryo exports.

International Marketing

The mission of the international marketing program is to increase the export sales of Utah grown and processed products. Utah companies that are interested in investigating new international markets for their products can work with the Division to access a myriad of helpful programs that are touched on below. The Division works with individual companies as well as developing industry specific marketing efforts by providing access to both the USDA's Foreign Agricultural Service (FAS) and Western United States Agricultural Trade Associations (WUSATA) programs.

FAS promotional programs include the Foreign Market Development Cooperator Program and the Market Access Program. It also sponsors U.S. participation in several major international tradeshow.

WUSATA's Generic Program supports industry-wide food and agricultural projects that would be managed by the Division. These projects can be designed to promote an industry's product in foreign markets that would benefit three or more companies that are not eligible for FAS's Cooperator's Market Access Program Funds. As a participant in the Generic Program in a tradeshow, a company can receive valuable services without incurring additional costs. Examples include interpreters, freight, trade appointments, arranged market tours and more. A project leader, occasionally

from our Division, helps companies get ready for the show and is available during the show to assist with needs.

Through the Export Readiness Program, WUSATA and the Division has and will continue to provide face-to-face help for a company asking difficult export questions whether export novice or veteran. Export Readiness sessions provide participating companies with two hours of individualized consultative solutions with an international marketing authority with over 20 years of expertise in market entry strategies, alliance building, brand development and product adaptation.

Organic Food Program

The organic food program certified over 85,000 acres of production farm and pasture ground in 2006. This includes such commodities as wheat, safflower, barley, oats, corn and grass. The newest addition to Utah organics is the dairy industry for the production of organic milk and cheese. The program continues to certify organic lamb and beef. With the growth of organic livestock production, there is a need to increase the production of feed grains for both cattle and sheep. Utah has a strong organic process/handling program. The wheat that is grown in Utah is made into high protein organic flour. There is garden produce being sold at farmers markets that is certified organic. There is a need for more organic row crop farmers to fill the slots at local farmers markets with their fresh local products. The demand for organic exceeds the supply and organic products are bringing a premium at the local markets.

Utah was accredited in 2002 as a certifying agent for the United States Department of Agriculture National Organic Program, and continues to provide services to the residents of our great state. The organic program continues to offer educational opportunities for the local producers and processors in order to upgrade and modify system plans to meet the requirements of the regulations. There are also opportunities for consumers to learn about organic foods and the requirements for organic food production.

Market News Reporting

Accurate and unbiased commodity price information is critical to agriculture producers and agribusinesses, especially in decision making. To provide this important service and insure the integrity of sales information, the Division monitors livestock auctions in Cedar City, Salina, Ogden and Logan on a weekly basis; and also compiles current hay sales information from alfalfa hay buyers and sellers weekly. The information is disseminated through the Department's website, (www.ag.utah.gov) print media, radio broadcast, call in service and summary mailers.

Junior Livestock Shows

The Division administers the legislative mandated and funded program that assists the State's junior livestock shows. Funds are allocated by agreed upon formula to shows that promote youth involvement and offer a quality educational experience. The Utah Junior Livestock Shows Association has developed rules with which shows and youth participants must comply to qualify for State assistance. During the past year, 14 junior livestock shows were awarded funds based on the number of youth participants involved in each show.